

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF IOWA**

In re:) Chapter 11
MERCY HOSPITAL, IOWA CITY, IOWA, et al.,) Case No. 23-00623 (TJC)
Debtors.) (Jointly Administered)
)
) **Objections Due: December 29, 2023 at 4:00 p.m.**
) **Hearing Date: Only if objections are filed**

**THIRD MONTHLY APPLICATION OF SILLS CUMMIS & GROSS P.C.
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND FOR REIMBURSEMENT OF EXPENSES AS COUNSEL TO
THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE
PERIOD FROM OCTOBER 1, 2023 THROUGH OCTOBER 31, 2023**

Name of Applicant:	<u>Sills Cummis & Gross P.C.</u>
Authorized to provide professional services to:	<u>Official Committee of Unsecured Creditors</u>
Date of Retention:	<u>October 12, 2023 effective as of August 18, 2023</u>
Period for which compensation and reimbursement are sought:	<u>October 1, 2023 – October 31, 2023</u>
Amount of compensation sought as actual, reasonable, and necessary:	<u>\$135,000.00 (80% of \$168,750.00)</u>
Amount of expense reimbursement sought as actual, reasonable, and necessary:	<u>\$1,274.88</u>

This is a monthly application.

COMPENSATION BY PROFESSIONAL

Name of Professional Individual	Position, Department, Year of First Bar Admission	Hourly Billing Rate ¹	Total Hours Billed	Total Compensation
Andrew Sherman	Member, Bankruptcy First Bar Admission: 1991	\$1,075	39.9	\$42,892.50
Boris Mankovetskiy	Member, Bankruptcy First Bar Admission: 2001	\$925	105.0	\$97,125.00
S. Jason Teele	Member, Bankruptcy First Bar Admission: 2001	\$895	18.1	\$16,199.50
Matthew Holden	Member, Corporate First Bar Admission: 2006	\$695	4.9	\$3,405.50
Jeffrey Kramer	Of Counsel, Bankruptcy First Bar Admission: 1995	\$835	0.9	\$751.50
Michael Savetsky	Of Counsel, Bankruptcy First Bar Admission: 2005	\$835	23.4	\$19,539.00
Gregory A. Kopacz	Of Counsel, Bankruptcy First Bar Admission: 2010	\$775	15.8	\$12,245.00
Jeffery Wendler	Of Counsel, Real Estate First Bar Admission: 1989	\$595	10.0	\$5,950.00
Oleh Matviyishyn	Associate, Bankruptcy First Bar Admission: 2022	\$475	32.0	\$15,200.00
Total Fees at Standard Rates			250.0	\$213,308.00
Total Fees at \$675 Blended Hourly Rate²			250.0	\$168,750.00

¹ Effective October 1, 2023 (the first day of Sills' fiscal year), the *standard* hourly rates of certain Sills attorneys were increased to reflect the increased experience and seniority of such attorneys, as well as economic and other conditions. For instance, the hourly rate of Andrew H. Sherman was increased from \$995 to \$1,075; the hourly rate of Boris Mankovetskiy was increased from \$875 to \$925; the hourly rate of Jason Teele was increased from \$850 to \$895; the hourly rate of Michael Savetsky was increased from \$795 to \$835; and the hourly rate of Gregory Kopacz was increased from \$725 to \$775. However, as discussed below, Sills' attorneys' fees for *this* engagement are subject to a \$675 blended hourly rate cap.

² As noted in Sills' retention application [Docket No. 228] (the "Retention Application"), "Sills fees (not including expenses) will be limited to the lesser of (i) the amount of Sills' fees at its professionals' standard rates . . . and (ii) the amount of Sills' fees at a blended hourly rate of \$675." See Retention Application ¶ 16.

COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees
Asset Disposition (102)	122.1	\$112,244.50
Case Administration (104)	32.3	\$26,928.50
Claims Administration and Objections (105)	18.7	\$12,548.50
Fee/Employment Applications (107)	8.2	\$4,975.00
Financing (109)	25.9	\$23,363.50
Litigation (Other than Avoidance Action Litigation) (110)	35.8	\$26,569.00
Relief from Stay Proceedings (114)	5.0	\$4,529.00
Travel (billed at 50%)	2.0	\$2,150.00
Total Fees at Standard Rate	250.0	\$213,308.00
Total Fees at \$675 Blended Rate¹	250.0	\$168,750.00

EXPENSE SUMMARY

Expense Category	Total Expenses
Airfare	\$784.90
Car Rental/Service	113.53
Lodging	\$248.54
Meals	\$48.51
Pacer/Online Research	\$3.00
Parking	76.40
TOTAL	\$1,274.88

¹ Sills' attorneys' fees are subject to a blended hourly rate cap of \$675. See Retention Application ¶ 16.

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**THIRD APPLICATION OF SILLS CUMMIS & GROSS P.C.
FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED
AND FOR REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE
PERIOD FROM OCTOBER 1, 2023 THROUGH OCTOBER 31, 2023**

Pursuant to Bankruptcy Code sections 330 and 331, Federal Rule of Bankruptcy Procedure 2016 (the “Bankruptcy Rules”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 224] (the “Compensation Order”), Sills Cummis & Gross P.C. (“Sills”) files this *Third Application for Allowance of Compensation for Services Rendered and for Reimbursement of Expenses as Counsel to the Official Committee of Unsecured Creditors for the Period From October 1, 2023 Through October 31, 2023* (the “Application”), seeking allowance of \$135,000.00 (80% of \$168,750.00) in fees, *plus* \$1,274.88 for reimbursement of actual and necessary expenses, for a total of \$136,274.88.

Background

1. On August 7, 2023 (the “Petition Date”), each of the Debtors filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code.
2. On August 15, 2023, the U.S. Trustee formed the Committee [Docket. No. 107].
3. The Committee retained Sills as co-counsel pursuant to this Court’s *Order*

Granting Application to Retain and Employ Sills Cummis & Gross P.C. as Co-Counsel for the Official Committee of Unsecured Creditors, Effective as of August 18, 2022 [Docket No. 355].

Compensation Paid and Its Source

4. All services for which compensation is requested were performed for or on behalf of the Committee. During the compensation period, Sills received no payment and no promises for payment from any source other than the Debtors for services to be rendered in any capacity in connection with the matters covered by this Application. There is no agreement or understanding between Sills and any other person, other than with the members, of counsel and associates of the firm, for the sharing of compensation to be received in these cases.

Fee Statements

5. The fee statement for this period is attached as **Exhibit A**. To the best of Sills' knowledge, this Application reasonably complies with Bankruptcy Code sections 330 and 331, the Bankruptcy Rules, the *Guidelines for Reviewing Applications for Compensation and Reimbursement for Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases Effective November 1, 2013*, and the Compensation Order.

Summary of Services by Project

A. **Asset Disposition**

Fees: \$112,244.50; Total Hours: 122.1

This category includes time spent: (a) conducting a lien analysis in connection with a proposed credit bid; (b) analyzing bids and addressing auction and sale-related matters; (c) analyzing matters related to the assumption, assignment and rejection of executory contracts and unexpired leases; (d) reviewing sale objections filed by third parties; (e) attending the auction and the continued auction dates; (f) analyzing, revising and negotiating sale documents, including the proposed sale order, a proposed interim management agreement and a proposed

agreement to advance; (g) addressing cash flow and sale closing matters, including regulatory approval matters; (h) drafting a letter regarding a bid dispute; (i) reviewing a related motion to compel filed by Preston Hollow; (j) drafting an objection thereto and conducting related research and analysis; (k) addressing back-up bid and alternative sale matters; (l) addressing valuation matters; and (m) communicating with Debtors' counsel, counsel to Preston Hollow, the Committee members, the Committee's financial advisor and the Bondholder representative's counsel regarding the foregoing and related matters.

B. Case Administration

Fees: \$26,928.50; Total Hours: 32.3

This category includes time spent: (a) attending Committee meetings and preparing updates for the Committee members; (b) preparing the Committee's 1102 motion and addressing matters related to the establishment of a Committee website; (c) reviewing motions, pleadings, and other court filings; (d) responding to creditor queries and addressing pending matters; and (e) communicating with the Committee members, Debtors' counsel and bondholders' counsel regarding the foregoing and related matters.

C. Claims Administration and Objections

Fees: \$12,548.50; Total Hours: 18.7

This category includes time spent: (a) analyzing secured claims asserted against the Debtors' estates; (b) analyzing alleged liens and security interests asserted against the Debtors' assets; and (c) analyzing PTO matters.

D. Fee/Employment Applications

Fees: \$4,975.00; Total Hours: 8.2

This category includes time spent: (a) preparing Sills' August and September fee

statements; (b) analyzing matters related to H2C's request to modify its engagement terms; and (c) reviewing the Committee's financial advisor's fee statements.

E. Financing

Fees: \$23,363.50; Total Hours: 25.9

This category includes time spent: (a) analyzing the proposed final cash collateral order and addressing related matters, including preparing an objection thereto; (b) addressing matters related to the potential use of the Mercy Foundation's funds, including reviewing and analyzing proposed term sheets; and (c) communicating with Debtors' counsel, the Committee members and the Committee's other advisors regarding the foregoing and related matters.

F. Litigation (Other than Avoidance Action Litigation)

Fees: \$26,569.00; Total Hours: 35.8

This category includes time spent: (a) reviewing and analyzing a motion to appoint a pensioner committee; (b) drafting an objection thereto and conducting related research and analysis; (c) analyzing the reply brief filed in response thereto; (d) preparing for and attending a related hearing; (e) addressing matters related to the proposed settlement of Mercy Foundation disputes; (f) communicating with the Committee's other advisors regarding the foregoing and related matters.

G. Relief from Stay Proceedings

Fees: \$4,529.00; Total Hours: 5.0

This category includes time spent analyzing: (a) proposed resolutions of stay relief requests, (b) stay relief motions; and (c) related insurance matters.

H. Travel (billed at 50%)

Fees: \$2,150.00; Total Hours: 2.0

This category includes time spent traveling to and from Chicago for an auction.

Conclusion

6. Sills submits the amounts sought are fair and reasonable given (a) the complexity of these cases, (b) the time expended, (c) the nature and extent of services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title.

WHEREFORE, Sills requests an allowance be made to Sills for the sums \$135,000.00 (80% of \$168,750.00) as compensation, *plus* \$1,274.88 for reimbursement of actual and necessary expenses, for a total of \$136,274.88, and that such amount be authorized for payment.

Dated: December 15, 2023

Respectfully submitted,

/s/ Andrew H. Sherman

Andrew H. Sherman, NJS Bar No. 042731991
(admitted *pro hac vice*)
Boris I. Mankovetskiy, NJS Bar No. 012862001
(admitted *pro hac vice*)
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/s/ Robert C. Gainer

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Attorneys for The Official Committee of Unsecured Creditors of Mercy Hospital, Iowa City, Iowa, et al.

Certificate of Service

The undersigned certifies, under penalty of perjury, that on this December 15, 2023, the foregoing document was electronically filed with the Clerk of Court using the Northern District of Iowa CM/ECF and the document was served electronically through the CM/ECF system to the parties of this case.

/s/ *Stephanie Newton*

Sills Cummis & Gross
A Professional Corporation

The Legal Center
One Riverfront Plaza
Newark, NJ 07102-5400
(973) 643-7000

Official Unsecured Creditors Committee of Mercy Hospital
c/o Steindler Orthopedic Clinic, Committee Chair
Attn: Edward Patrick Magallanes, President and CEO
222 W. Merchandise Mart Plaza #2024
2751 Northgate Drive
Iowa City, IA 52245

December 1, 2023
Client/Matter No. 08650147.000001
Invoice: 2050121
Billing Attorney: AHS
Federal Tax Id: 22-1920331

RE: Creditors' Committee

For Legal Services Rendered Through October 31, 2023

			HOURS	AMOUNT
102 – ASSET DISPOSITION				
10/01/23	BM	102		
			Analysis regarding bond trustee's asserted liens and security in interests in connection with credit bid.	1.10
10/02/23	BM	102		
			Analysis regarding bondholders' liens in connection with credit bid.	1.20
10/02/23	BM	102		
			Analysis regarding qualification of bids and auction issues.	1.10
10/02/23	BM	102		
			Analysis regarding Preston Hollow's bid submission.	2.20
10/02/23	AHS	102		
			Review of bid for assets and follow up calls with counsel re: same.	1.10
10/02/23	JT	102		
			Review computershare credit bid materials.	0.90
10/02/23	JT	102		
			Review updated bid tracker.	0.40
10/02/23	JT	102		
			E-mail to O. Matviyishyn regarding bids.	0.30
10/02/23	OM	102		
			Prepare Mercy stalking horse bid comparison chart.	2.30

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			HOURS	AMOUNT
10/02/23	OM	102	Edit stalking horse bid chart incorporating bid from ComputerShare Trust Company.	1.10
10/03/23	BM	102	Analysis regarding bid comparisons and qualifications.	2.40
10/03/23	BM	102	Analysis regarding scope of bond trustee's mortgages in connection with credit bid on real property.	0.90
10/03/23	BM	102	Analysis regarding establishing Committee procedures for actions as consultation party in connection with auction process.	0.40
10/03/23	BM	102	Analysis regarding procedures for assumption and assignment of contracts.	0.70
10/03/23	AHS	102	Calls with Debtors' counsel and counsel for PH in advance of auction.	0.80
10/03/23	JT	102	Review further updated bid chart.	0.30
10/03/23	GAK	102	Review sale objections.	0.40
10/03/23	OM	102	Research local Iowa law re: liens on fixtures.	0.20
10/03/23	OM	102	Correspondence with B. Mankovetskiy and update bid comparison chart pursuant to comments.	0.90
10/03/23	OM	102	Credit bid comparison analysis re: sale.	1.10
10/04/23	BM	102	Analysis of bids and issues during auction.	2.60
10/04/23	BM	102	Prepare updates for Committee in connection with auction.	0.80

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			HOURS	AMOUNT
10/04/23	AHS	102	Attend auction for the sale of the Debtors' assets.	9.60
10/04/23	GAK	102	Review update regarding auction.	0.10
10/05/23	BM	102	Analysis regarding auction status and next steps.	1.40
10/05/23	BM	102	Analysis regarding bondholders' bid and operator issues.	1.20
10/05/23	BM	102	Analysis regarding disposition of Debtors' clinics and joint venture interests.	0.90
10/06/23	BM	102	Analysis regarding continuance of sale hearing.	0.40
10/06/23	BM	102	Analysis regarding Debtors' cash flow projections and sale closing issue.	0.90
10/06/23	BM	102	Analysis of issues regarding continued auction.	1.20
10/06/23	AHS	102	Address issues regarding auction and emails to committee re: same.	0.20
10/06/23	AHS	102	Calls and emails with counsel for Debtors re: adjourned auction and sale hearing issues.	0.90
10/09/23	BM	102	Analysis of issues regarding resumption of auction.	1.20
10/09/23	BM	102	Analysis regarding disposition of certain clinics and real estate assets of the Debtors.	1.10
10/09/23	JT	102	Office conference with O. Matviyishyn regarding auction and sale issues.	0.30
10/10/23	BM	102	Attend continued auction.	3.20
10/10/23	BM	102	Analysis regarding sale closing timeline and regulatory approval conditions.	1.30

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			HOURS	AMOUNT
10/10/23	BM	102	Analysis regarding disposition of real estate and other assets excluded from proposed sale.	1.10
10/10/23	AHS	102	Follow up with committee after auction.	0.20
10/10/23	AHS	102	Attend auction.	3.00
10/10/23	AHS	102	Calls with Debtors and PH in advance of auction.	0.40
10/11/23	BM	102	Analysis regarding successful bid and documentation in connection with same.	1.90
10/11/23	GAK	102	Review auction results.	0.10
10/13/23	BM	102	Analysis regarding sale documents.	0.80
10/16/23	MH	102	Call with A. Sherman and B. Mankovetskiy re: Interim Management Agreement and Agreement to Advance.	0.30
10/16/23	BM	102	Call with Debtors and Preston Hollow regarding sale issues and related documents.	0.90
10/16/23	BM	102	Analysis regarding draft interim management agreement.	1.40
10/16/23	BM	102	Analysis regarding draft agreement to advance.	1.20
10/16/23	BM	102	Analysis regarding draft proposed form of sale order.	0.80
10/16/23	AHS	102	Call with counsel for PH and Debtors re: upcoming sale hearing and ancillary documents.	0.90
10/16/23	AHS	102	Initial review and analysis of funding agreement and IMA in connection with sale.	0.70
10/16/23	JT	102	Review and revise proposed sale Order.	1.30

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			HOURS	AMOUNT
10/16/23	JT	102	E-mail to B. Mankovetskiy and A. Sherman regarding sale Order.	0.30
10/16/23	JK	102	Telephone conference with J. Teele re: sale order.	0.10
10/16/23	JK	102	Review and analyze sale order.	0.30
10/16/23	JK	102	Telephone conference with A. Sherman and B. Mankovetskiy re: sale order.	0.20
10/17/23	MH	102	Review and comment on Agreement to Advance and Interim Management Agreement.	3.80
10/17/23	MH	102	Draft redlines of IMA and AA and email same to A. Sherman and B. Mankovetskiy.	0.10
10/17/23	MH	102	Review B. Mankovetskiy email with comments to IMA and AA.	0.10
10/17/23	MH	102	Revise IMA and AA per B. Mankovetskiy comments, draft revised redlines and email same to B. Mankovetskiy and A. Sherman.	0.60
10/17/23	BM	102	Correspondence with Debtors and PH's counsel regarding sale documents.	0.60
10/17/23	BM	102	Analysis and revisions of proposed interim management agreement.	1.20
10/17/23	BM	102	Analysis regarding Debtors' cash flow projections and sale closing issues.	1.10
10/17/23	BM	102	Analysis and revisions of proposed funding agreement.	0.90
10/17/23	BM	102	Analysis and revisions of proposed from of sale order.	1.10

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			HOURS	AMOUNT
10/17/23	JT	102	E-mail to B. Mankovetskiy regarding sale Order.	0.30
10/17/23	JK	102	Review and analyze sale order and telephone conference with J. Teele re: same.	0.30
10/18/23	BM	102	Draft and edit letter to Preston Hollow regarding dispute over its bid.	1.20
10/18/23	BM	102	Analysis regarding dispute over terms of funding agreement with Preston Hollow.	1.10
10/18/23	AHS	102	Call with counsel for Debtors re: auction issues and PH bid issues.	0.40
10/18/23	AHS	102	Emails to committee re: auction issues and bid from PH.	0.50
10/18/23	AHS	102	Review and revise letter to counsel to PH re: asset sale and auction issues.	0.80
10/19/23	BM	102	Analysis of bidding procedures and order regarding enforcement of back up bid.	0.70
10/19/23	BM	102	Analysis regarding dispute over Preston Hollow's bid and potential next steps.	1.10
10/19/23	AHS	102	Review and analysis of motion filed by Preston Hall re: sale issues.	0.60
10/19/23	AHS	102	Call with counsel for Debtors re: sale issues and next steps, email to Committee re: same and next steps.	0.80
10/19/23	AHS	102	Calls and emails with committee members re: sale issues.	0.60

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			HOURS	AMOUNT
10/20/23	BM	102	Analysis regarding Preston Hollow's motion to compel enforcement of auction results.	0.90
10/20/23	BM	102	Analysis regarding enforcement of back up bid.	0.90
10/20/23	BM	102	Analysis regarding sale documentation and enforcement of successful bid.	1.40
10/20/23	AHS	102	Emails and calls with committee members re: sales process and next steps.	0.80
10/20/23	AHS	102	Calls and emails with counsel for Debtors re: sales process issues, filed motion and next steps.	0.60
10/20/23	GAK	102	Review motion to compel compliance with auction results.	0.40
10/20/23	GAK	102	Review motion to shorten for motion to compel compliance with auction.	0.10
10/23/23	BM	102	Call with FTI regarding sale issues.	0.40
10/23/23	BM	102	Analysis regarding valuation and disposition of JV interests.	1.10
10/23/23	AHS	102	Call with counsel for Debtors re: sale issues and call to counsel for University re: same.	0.60
10/24/23	BM	102	Analysis regarding potential pivot to sale to the University of Iowa.	0.90
10/24/23	BM	102	Analysis regarding sale status and dispute over funding agreement.	1.40
10/24/23	BM	102	Analysis regarding objection to Preston Hollow's motion to compel compliance with auction results.	1.20

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			HOURS	AMOUNT
10/24/23	MS	102	Draft objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	4.40
10/24/23	MS	102	Confer with B. Mankovetskiy re: objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	0.20
10/25/23	BM	102	Analysis regarding dispute over PH's bid and potential reopening of the auction.	1.20
10/25/23	BM	102	Analysis regarding objection to Preston Hollow's motion to compel.	1.30
10/25/23	BM	102	Analysis regarding Debtors' correspondence with the University regarding purported termination of APA.	0.80
10/25/23	BM	102	Call with Debtors' and Bondholders' counsel regarding sale issues.	0.40
10/25/23	AHS	102	Follow up calls with counsel for Debtors and to counsel for University and initial review of response to motion by Preston Hollow.	0.70
10/25/23	AHS	102	Call with counsel for Debtors re: sale issues.	0.50
10/25/23	MS	102	Draft objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	4.70
10/25/23	MS	102	Legal research re: objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	1.10

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			HOURS	AMOUNT
10/26/23	BM	102	Analysis regarding dispute with Preston Hollow regarding successful bid.	1.90
10/26/23	BM	102	Analysis regarding potential options with respect to University's designated back-up bid.	1.40
10/26/23	BM	102	Analysis of issues regarding resumption of auction.	1.30
10/26/23	BM	102	Analysis and revisions of objection to Preston Hollow's motion to compel.	1.10
10/26/23	AHS	102	Emails with committee and members re: auction issues and auction strategy.	0.80
10/26/23	AHS	102	Calls with counsel for Debtors re: auction issues, emails and call to counsel for PH and University re: auction issues.	0.60
10/26/23	AHS	102	Committee meeting re: pension committee, sale and auction issues.	0.60
10/26/23	MS	102	Review revisions to objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	0.40
10/26/23	MS	102	Legal research re: objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	0.40
10/26/23	MS	102	Review and further revise objection to Preston Hollow's motion to compel enforcement of alleged sale terms.	0.60
10/27/23	BM	102	Call with Debtors' counsel regarding sale and cash collateral issues.	0.40
10/27/23	BM	102	Attend continued auction.	1.30

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			HOURS	AMOUNT
10/27/23	BM	102	Analysis regarding assumption/rejection process in connection with sale.	0.40
10/27/23	AHS	102	Calls with counsel for University of Iowa and Debtors re: sale issues, closing issues, next steps and potential cash collateral issues.	0.80
10/27/23	AHS	102	Email to Committee re: auction issues.	0.30
10/27/23	AHS	102	Attend auction and follow up with Debtors' counsel re: same.	1.20
10/27/23	AHS	102	Calls with Debtors counsel and counsel for PH in advance of auction.	0.40
10/27/23	GAK	102	Review auction results and motion to continue hearing on motion to compel compliance with auction results.	0.20
10/30/23	BM	102	Analysis regarding potential regulatory issues in connection with sale to University.	1.10
TASK TOTAL 102			122.10	\$112,244.50

104 – CASE ADMINISTRATION

10/02/23	BM	104	Prepare an update for Committee.	0.60
10/03/23	BM	104	Analysis regarding 1102 motion.	0.40
10/03/23	BM	104	Respond to creditors' inquiries regarding case status.	0.40
10/03/23	AHS	104	Attend committee meeting re: sale, auction and foundation issues and follow up re: same.	0.80

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			HOURS	AMOUNT
10/03/23	GAK	104	Review order amended litigation schedule for Cash Collateral, Examiner Motion and cash management motion and communications with O. Matviyishyn regarding same.	0.10
10/03/23	GAK	104	Work on 1102 motion.	0.50
10/03/23	OM	104	Review docket, update critical dates calendar and circulate same to team with reminders.	0.40
10/03/23	OM	104	Prepare intial outline for 1102 motion.	0.30
10/03/23	OM	104	Correspondence with G. Kopacz re: 1102 motion.	0.20
10/04/23	GAK	104	Emails with Epiq regarding 1102 motion.	0.20
10/04/23	GAK	104	Work on 1102 motion.	0.50
10/04/23	GAK	104	Prepare for and attend call with Epic regarding Committee website and 1102 motion.	0.30
10/05/23	BM	104	Prepare an update for Committee.	0.40
10/05/23	JT	104	E-mail from G. Kopacz regarding examiner motion.	0.30
10/05/23	GAK	104	Emails with team regarding examiner motion/objection.	0.10
10/06/23	BM	104	Prepare a committee update.	0.30
10/06/23	BM	104	Analysis regarding 1102 motion and proposed services agreement with Epiq.	0.70
10/06/23	BM	104	Call with Debtors' counsel regarding pending matters.	0.50
10/06/23	GAK	104	Review and analyze Epiq's proposed service agreement contract.	1.40
10/06/23	GAK	104	Communications with B. Mankovetskiy regarding Epiq services agreement and suggested revisions.	0.10

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			HOURS	AMOUNT
10/06/23	GAK	104	Email Debtors' counsel regarding Committee website.	0.20
10/06/23	GAK	104	Review order continuing hearing and deadlines for examiner motion.	0.20
10/09/23	BM	104	Prepare an update for Committee.	0.30
10/09/23	GAK	104	Email Debtor's counsel regarding 1102/website matters.	0.30
10/10/23	BM	104	Prepare updates for Committee.	0.70
10/10/23	GAK	104	Draft email to Epiq regarding revised service agreement.	0.10
10/10/23	GAK	104	Revise Epiq's proposed service agreement based on discussions with Debtor's counsel and B. Mankovetskiy.	1.40
10/11/23	OM	104	Review docket, update critical dates calendar and circulate same to team with reminders.	0.30
10/12/23	GAK	104	Meeting with O. Matviyishyn regarding 1102 motion.	0.10
10/12/23	OM	104	Update 1102 motion pursuant to comments from G. Kopacz.	0.40
10/12/23	OM	104	Draft 1102 motion.	1.40
10/13/23	BM	104	Analysis regarding 1102 motion.	0.60
10/13/23	GAK	104	Email Epiq regarding service agreement.	0.20
10/13/23	GAK	104	Revise service agreement to address Epiq comments and email MWE regarding same.	0.30
10/16/23	JT	104	Telephone conference with A. Sherman, B. Mankovetskiy and J. Kramer regarding work flows.	0.50

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			HOURS	AMOUNT
10/17/23	OM	104	Review docket, update critical dates calendar and circulate same to team with reminders.	0.20
10/18/23	BM	104	Call with Debtors' counsel regarding pending matters.	0.60
10/18/23	BM	104	Prepare an update for Committee.	0.70
10/19/23	BM	104	Prepare an update for Committee.	0.60
10/19/23	BM	104	Analysis regarding 1102 motion.	0.40
10/19/23	BM	104	Call with Debtors' counsel regarding pending matters.	0.50
10/19/23	GAK	104	Update 1102 motion/order to address local rules.	0.30
10/19/23	GAK	104	Draft email to A. Sherman regarding 1102 motion and update for Committee.	0.40
10/19/23	GAK	104	Review local rules to finalize motion and proposed order.	0.30
10/19/23	GAK	104	Draft email to MWE regarding 1102 requirements.	0.60
10/19/23	GAK	104	Emails with MWE regarding revisions to Epiq agreement and next steps.	0.20
10/19/23	GAK	104	Call with B. Mankovetskiy regarding 1102 motion and request to appoint pensioner committee.	0.10
10/19/23	GAK	104	Draft email to MWE regarding 1102 motion and service agreement.	0.10
10/19/23	GAK	104	Work on 1102 motion for review by A. Sherman and B. Mankovetskiy.	2.90
10/20/23	BM	104	Call with Debtors' counsel regarding pending matters.	0.70

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			HOURS	AMOUNT
10/20/23	BM	104	Prepare an update for Committee.	0.30
10/23/23	BM	104	Call with Debtors' counsel regarding pending matters.	0.40
10/23/23	BM	104	Call with Committee chair regarding pending matters.	0.50
10/23/23	AHS	104	Call with committee member re: status update.	0.50
10/23/23	GAK	104	Finalize 1102 motion and email local counsel regarding same.	0.20
10/23/23	OM	104	Review docket, update critical dates calendar and circulate same to team with reminders.	0.30
10/24/23	BM	104	Attend Committee meeting.	0.50
10/24/23	AHS	104	Attend Committee meeting.	0.50
10/24/23	GAK	104	Draft email to A. Sherman regarding Epiq agreement and next steps.	0.10
10/24/23	GAK	104	Email MWE regarding epiq service agreement.	0.10
10/26/23	BM	104	Prepare an update for Committee.	0.70
10/26/23	OM	104	Review docket, update critical dates calendar and circulate same to team with reminders.	0.20
10/27/23	BM	104	Prepare an update for Committee.	0.70
10/27/23	AHS	104	Review of pleadings and case law in advance of hearing re: 1102 and appointment by court.	0.80
10/29/23	BM	104	Call with Debtors' counsel regarding pending matters.	0.70
10/30/23	BM	104	Call with Committee chair regarding pending matters.	0.50

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				HOURS	AMOUNT
10/30/23	AHS	104	Call with committee member re: sale and cash collateral issues.	0.40	
10/30/23	GAK	104	Email A. Sherman regarding Epiq services agreement.	0.10	
10/31/23	BM	104	Call with bondholders' counsel regarding pending matters.	0.70	
TASK TOTAL 104				32.30	\$26,928.50

105 – CLAIMS ADMINISTRATION AND OBJECTIONS

10/02/23	JW	105	Telephone conference with B. Mankovetskiy regarding hospital real estate security interest review and analysis.	0.30
10/02/23	JW	105	Analyze UCC Amendment, Original UCC, Mortgage, Categories of Mortgaged Collateral and Categories of UCC Collateral.	2.50
10/03/23	JW	105	Compare legal descriptions.	0.40
10/03/23	JW	105	Draft email memo regarding results of Johnson County analysis.	0.50
10/03/23	JW	105	Review lease information pertaining to Muscatine property and Schedule 2.1(d) in bid proposal.	0.30
10/03/23	JW	105	Draft short email regarding review of Muscatine lease and Schedule 2.1(d) results.	0.20
10/03/23	JW	105	Analyze Johnson County tax assessor and recorder of deeds land records to verify whether documents listed in bid proposal are covered by Mortgage.	0.80

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			HOURS	AMOUNT
10/03/23	JW	105	Review title documents.	0.30
10/03/23	JW	105	Review bid purchase agreement.	0.30
10/03/23	JW	105	Compare properties contained in Mercy Hospital spreadsheet to title reports and bid proposal real property and lease schedules.	1.00
10/03/23	JW	105	Review Bid Proposal.	0.50
10/03/23	JW	105	Review responses re: UCC perfection of land security interests.	0.20
10/03/23	JW	105	Draft email re: questions regarding mortgage perfection and UCC.	0.50
10/03/23	JW	105	Review and analyze all title reports and the Trust Indenture.	1.80
10/05/23	BM	105	Analysis regarding pension fund issues and potential claims.	1.10
10/05/23	BM	105	Analysis regarding PTO issues.	0.70
10/13/23	BM	105	Analysis regarding McKesson's asserted secured claim.	0.80
10/16/23	BM	105	Analysis regarding McKesson claim.	0.80
10/16/23	JT	105	E-mail from O. Matviyishyn regarding McKesson Lien.	0.30
10/16/23	OM	105	Summarize McKesson lien analysis and circulate to B. Mankovetskiy and J. Teele.	0.20
10/16/23	OM	105	Analyze McKesson lien.	1.90
10/16/23	OM	105	Correspondence and instruction from B. Mankovetskiy re: McKesson agreement.	0.20

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			HOURS	AMOUNT
10/16/23	OM	105	Correspondence with B. Mankovetskiy and team re: financing.	0.30
10/16/23	OM	105	Correspondence with B. Mankovetskiy and team re: financing and circulate summary to team.	0.60
10/18/23	BM	105	Analysis regarding bond documents and scope of security interests.	1.80
10/31/23	JW	105	Telephone conference in connection with analysis on additional parking lots as part of real estate collateral.	0.20
10/31/23	JW	105	Brief review of owned real estate, review lien report summary and documents previously provided by B. Mankovetskiy.	0.20
TASK TOTAL 105			18.70	\$12,548.50

107 – FEE/EMPLOYMENT APPLICATIONS

10/17/23	GAK	107	Work on September fee statement.	0.10
10/20/23	BM	107	Analysis regarding H2C's request to modify engagement terms.	0.40
10/23/23	BM	107	Analysis regarding H2C request to modify terms of retention.	0.40
10/23/23	GAK	107	Review FTI's first fee statement.	0.20
10/24/23	GAK	107	Work on first fee application.	0.10
10/25/23	GAK	107	Work on September fee application.	0.60

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			HOURS	AMOUNT
10/25/23	GAK	107	Work on August fee application.	0.40
10/30/23	GAK	107	Work on September fee statement.	0.30
10/30/23	GAK	107	Work on August fee application.	0.20
10/30/23	GAK	107	Call with O. Matviyishyn regarding fee applications.	0.20
10/30/23	GAK	107	Communications with FTI regarding fee applications.	0.10
10/30/23	OM	107	Begin drafting August fee app.	1.90
10/30/23	OM	107	Correspondence and instructions re: initial fee applications.	0.20
10/31/23	GAK	107	Work on September fee application.	0.20
10/31/23	OM	107	Continue draft of August fee app.	1.80
10/31/23	OM	107	Begin draft of September fee app.	1.10
TASK TOTAL 107			8.20	\$4,975.00

109 – FINANCING

10/02/23	AHS	109	Further review of foundation term sheet; email to committee re: same and follow up call with Debtors' counsel.	0.60
10/07/23	AHS	109	Email to Committee re: foundation term sheet update.	0.20
10/07/23	AHS	109	Address issues in finalizing and executing foundation term sheet.	0.30
10/09/23	BM	109	Analysis regarding proposed Foundation settlement and cash collateral order issues.	1.40

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			HOURS	AMOUNT
10/11/23	BM	109	Analysis regarding final cash collateral order.	0.90
10/12/23	BM	109	Analysis regarding final cash collateral order.	0.80
10/16/23	BM	109	Analysis regarding draft proposed final cash collateral order.	1.30
10/17/23	BM	109	Analysis and revisions of proposed final cash collateral order.	1.20
10/17/23	AHS	109	Review and revise draft cash collateral order.	1.10
10/27/23	BM	109	Analysis regarding continued use of cash collateral.	0.60
10/27/23	MS	109	Call with B. Mankovetskiy re: objection to final cash collateral order.	0.20
10/30/23	BM	109	Analysis regarding proposed final cash collateral order and revisions thereof.	1.60
10/30/23	BM	109	Analysis regarding Committee's objection to proposed final cash collateral order.	1.30
10/30/23	BM	109	Call with FTI regarding cash collateral issues.	0.50
10/30/23	MS	109	Draft objection to final cash collateral order.	4.40
10/30/23	MS	109	Calls with B. Mankovetskiy re: objection to final cash collateral order.	0.20
10/31/23	BM	109	Analysis regarding Committee's objection to proposed final cash collateral order.	1.70
10/31/23	AHS	109	Call with FTI re: cash collateral issues and analysis re: cash collateral issues.	0.80

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				HOURS	AMOUNT
10/31/23	MS	109	Draft objection to final cash collateral order.	6.80	
TASK TOTAL 109				<u>25.90</u>	<u>\$23,363.50</u>

110 – LITIGATION (OTHER THAN AVOIDANCE ACTION LITIGATION

10/02/23	BM	110	Analysis regarding proposed Foundation settlement term sheet and related issues.	1.30
10/03/23	OM	110	Review statement of financial affairs for pending litigations.	0.40
10/06/23	BM	110	Analysis regarding Foundation settlement.	0.80
10/06/23	BM	110	Analysis regarding 9019 motion to approve Foundation settlement.	1.10
10/07/23	BM	110	Analysis regarding comments to draft 9019 motion and Foundation settlement term sheet.	0.80
10/09/23	GAK	110	Review and analysis of settlement motion with Foundation and Bondholder	0.30
10/18/23	BM	110	Analysis regarding pensioners motion to appoint official committee.	0.80
10/18/23	JT	110	Review Motion to Appoint Pension Committee.	0.70
10/18/23	JT	110	E-mail to B. Mankovetskiy regarding Pension Committee.	0.30
10/18/23	JT	110	Review Debtor's schedules and claim register regarding pension claims.	0.50
10/18/23	JT	110	Research regarding appointing official committee.	1.80

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			HOURS	AMOUNT
10/19/23	BM	110	Analysis regarding response to pensioners motion to appoint committee.	0.70
10/19/23	JT	110	Review case law regarding appointing official committee.	0.50
10/19/23	JT	110	Review and revise objection to Pension Committee Motion.	0.70
10/19/23	GAK	110	Review motion to appoint pensioner committee.	0.20
10/19/23	OM	110	Correspondence and instruction with J. Teele re: objection to pensioner committee motion.	0.40
10/19/23	OM	110	Determine deadline to object to pensioners' motion.	0.30
10/19/23	OM	110	Review and analyze pensioners committee motion.	0.20
10/20/23	BM	110	Analysis regarding response to pensioners' motion and potential resolution.	0.80
10/20/23	JT	110	Additional research regarding Pension Committee.	1.20
10/20/23	JT	110	Office conference with O. Matviyishyn regarding Pension Committee.	0.40
10/20/23	OM	110	Review and correspondence of pensioner committee motion and motion to compel.	0.60
10/20/23	OM	110	Analyze recent pleadings and correspond with J. Teele re: strategy for objections.	0.60
10/20/23	OM	110	Research re: objection to formation of an independent committee of pensioners and correspond with J. Teele regarding same.	1.40
10/20/23	OM	110	Draft objection to motion for independent pensioners committee.	1.40

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			HOURS	AMOUNT
10/23/23	BM	110	Analysis regarding supplemental certification regarding pensioners' motion to appoint a committee.	0.30
10/23/23	AHS	110	Review and analysis of motion for pension committee and draft response re: same.	0.60
10/23/23	JT	110	Review supplemental certification regarding Pension Committee.	0.40
10/23/23	JT	110	Review and revise Pension Committee objection.	2.60
10/23/23	OM	110	Edit and update pensioner committee objection pursuant to supplemental statement filed the pensioner committee and send to J. Teele for review.	1.80
10/23/23	OM	110	Review research pertaining to objection to pensioner committee and follow up research if courts have ever established such a committee.	0.60
10/23/23	OM	110	Review comments and edits from J. Teele about objection to pensioner motion and update objection pursuant to same.	0.70
10/23/23	OM	110	Finalize objection to pensioner motion and send to J. Teele for review.	2.70
10/24/23	BM	110	Analysis regarding objection to pensioners' motion.	0.80
10/24/23	JT	110	Further revise Pension Committee objection.	0.60
10/24/23	OM	110	Review comments from A. Sherman and revise pensioner objection pursuant to comments.	0.70

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			HOURS	AMOUNT
10/24/23	OM	110	Review and revise pensioner objection pursuant to comments from J. Teele and send to A. Sherman and B. Mankovetskiy for review.	0.50
10/25/23	BM	110	Analysis regarding objection to pensioners' motion.	0.40
10/25/23	AHS	110	Review and revise response to motion to appoint pension committee.	0.80
10/25/23	OM	110	Review and send reminder to local counsel about filing the pensioner objection.	0.20
10/25/23	OM	110	Update pensioner objections pursuant to comments from local counsel and circulate same to local counsel.	0.90
10/25/23	OM	110	Circulate final draft and comments to local counsel re: pensioner objection.	0.20
10/25/23	OM	110	Finalize additions and revisions of pensioner objection and send to A. Sherman and B. Mankovetskiy.	0.90
10/27/23	BM	110	Analysis regarding reply to Committee's objection to pensioners' motion.	0.60
10/27/23	AHS	110	Prepare outline and attend hearing on motion to appoint pension committee.	1.10
10/27/23	GAK	110	Review pensioner reply brief in support of request for appointment of official committee.	0.20
TASK TOTAL 110			35.80	\$26,569.00

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			HOURS	AMOUNT
114 – RELIEF FROM STAY PROCEEDINGS				
10/03/23	BM	114	Analysis regarding proposed order granting in part and continuing in part motion to enforce stay.	0.30
10/03/23	BM	114	Analysis regarding proposed resolution of Schwarz stay relief motion.	0.70
10/03/23	JT	114	E-mail to B. Mankovetskiy regarding Stay Relief Motion.	0.40
10/03/23	JT	114	Review state court Complaint and insurance policies regarding Scott Stay Relief Motion.	0.90
10/03/23	JT	114	Review Stay Relief Motion.	0.40
10/05/23	BM	114	Analysis regarding Schwarz stay relief stipulation.	0.80
10/05/23	JT	114	Further review insurance policies regarding Stay Relief Motion.	0.70
10/05/23	JT	114	Draft e-mail summarizing issues regarding Stay Relief Motion.	0.50
10/05/23	JT	114	Telephone conference with T. Novak regarding insurance coverage.	0.30
TASK TOTAL 114			5.00	\$4,529.00

116 – TRAVEL

10/03/23	AHS	116	Travel from EWR to Chicago for auction. (2.00)	1.00
10/04/23	AHS	116	Travel from Chicago to EWR after auction (2.00)	1.00

TASK TOTAL 116	2.00	\$2,150.00
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	HOURS	AMOUNT
TOTAL FEES at Standard Rates	250.00	\$213,308.00
Attorney Fees at Blended Rate of \$675	250.00	\$168,750.00
Paralegal Fees at Standard Rate	0.00	0.00
TOTAL FEES at Blended Rate	250.00	\$168,750.00

TASK CODE SUMMARY

102	Asset Disposition	122.10	\$112,244.50
104	Case Administration	32.30	\$26,928.50
105	Claims Administration and Objections	18.70	\$12,548.50
107	Fee/Employment Applications	8.20	\$4,975.00
109	Financing	25.90	\$23,363.50
110	Litigation (Other than Avoidance Action Litigation	35.80	\$26,569.00
114	Relief from Stay Proceedings	5.00	\$4,529.00
116	Travel	2.00	\$2,150.00

TOTAL FEES at Standard Rates	250.00	\$213,308.00
Attorney Fees at Blended Rate of \$675	250.00	168,750.00
Paralegal Fees at Standard Rate	0.00	0.00
TOTAL FEES at Blended Rate	250.00	\$168,750.00

Andrew H. Sherman	39.90	x	\$1,075.00	=	\$42,892.50
Boris Mankovetskiy	105.00	x	\$925.00	=	\$97,125.00
Jason Teele	18.10	x	\$895.00	=	\$16,199.50
Matthew Holden	4.90	x	\$695.00	=	\$3,405.50
Michael Savetsky	23.40	x	\$835.00	=	\$19,539.00
Jeffrey Kramer	0.90	x	\$835.00	=	\$751.50
Gregory A. Kopacz	15.80	x	\$775.00	=	\$12,245.00
Jeffrey Wendler	10.00	x	\$595.00	=	\$5,950.00
Oleh Matviyishyn	32.00	x	\$475.00	=	\$15,200.00

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DISBURSEMENT DETAIL

09/08/23	291	Airfare (AHS – to/from Chicago for hearing regarding status, retention issues and bidding procedure)	\$784.90
09/12/23	382	Meals (AHS – Chicago)	\$18.03
09/13/23	382	Meals (AHS – Chicago)	\$30.48
09/13/23	293	Lodging (AHS – Chicago)	\$248.54
09/14/23	294	Taxi/Car Rental/Car Service (AHS – Chicago)	\$113.53
09/14/23	295	Parking (AHS – Chicago)	\$76.40
10/10/23	358	Pacer	\$3.00
TOTAL DISBURSEMENTS			\$1,274.88

INVOICE SUMMARY

Total Fees	\$168,750.00
Total Disbursements	\$1,274.88
TOTAL THIS INVOICE	\$170,024.88*

*Total includes fees at **Blended Rate**. Per Retention Application, lesser of fees at *Standard Rates* (\$213,308.00) and fees at *Blended Rate* of \$675 (\$168,750.00)** apply.

**includes paralegal fees at standard rates, if applicable